

107TH CONGRESS  
1ST SESSION

# H. R. 309

To provide for the determination of withholding tax rates under the Guam income tax.

---

IN THE HOUSE OF REPRESENTATIVES

JANUARY 30, 2001

Mr. UNDERWOOD introduced the following bill; which was referred to the Committee on Resources

---

## A BILL

To provide for the determination of withholding tax rates under the Guam income tax.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. GUAM FOREIGN INVESTMENT EQUITY ACT.**

4       (a) SHORT TITLE.—This section may be cited as the  
5       “Guam Foreign Investment Equity Act”.

6       (b) IN GENERAL.—Subsection (d) of section 31 of the  
7       Organic Act of Guam (48 U.S.C. 1421i) is amended by  
8       adding at the end the following new paragraph:

9       “(3) In applying as the Guam Territorial income tax  
10      the income-tax laws in force in Guam pursuant to sub-

1 section (a) of this section, the rate of tax under sections  
2 871, 881, 884, 1441, 1442, 1443, 1445, and 1446 of the  
3 Internal Revenue Code of 1986 on any item of income  
4 from sources within Guam shall be the same as the rate  
5 which would apply with respect to such item were Guam  
6 treated as part of the United States for purposes of the  
7 treaty obligations of the United States. The preceding sen-  
8 tence shall not apply to determine the rate of tax on any  
9 item of income received from a Guam payor if, for any  
10 taxable year, the taxes of the Guam payor were rebated  
11 under Guam law. For purposes of this subsection, the  
12 term ‘Guam payor’ means the person from whom the item  
13 of income would be deemed to be received for purposes  
14 of claiming treaty benefits were Guam treated as part of  
15 the United States.”

16 (c) EFFECTIVE DATE.—The amendment made by  
17 subsection (b) shall apply to amounts paid after the date  
18 of the enactment of the Act.

○